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UPDATE

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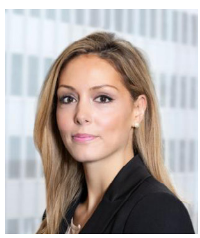
Is "Healthy" the New "Amenity"?



BY LOGAN J. O'CONNOR

As commercial and residential tenants have begun to flee New York City as a result of the Covid-19 pandemic, property owners are asking what they *must* do to keep their buildings in legal compliance, and what they *can* do to improve their buildings in order to retain tenants and promote their buildings to generate future tenants.

It has been suggested that, as the Covid-19 chaos settles, tenants will seek out apartments and commercial space based upon the "health" of a building. As a result, it is anticipated that we will see a trend toward "healthy" buildings in place of the typical "luxury" building.

Since the initial outbreak of Covid-19, tenants have naturally been concerned about the safety of the buildings in which they reside and work.

Beyond the legal requirements that have been in place for decades as well as the more recent Covid-specific orders, there are new guidelines and/or certifications being developed which will now differentiate buildings based upon a building's "health," much like the often-celebrated "LEED" green building certification. The goal of these new certification programs is to endorse buildings that are less likely to harbor infectious diseases like Covid-19, and to endorse buildings that promote overall health and wellbeing. It has been suggested by industry professionals that making these changes now could lead to greater tenant interest in the future. Obtaining a "healthy" building certification is a marketable tool that could be highly sought after in the coming months and years.

Here are just a few of the "healthy" building certifications that have been gaining popularity recently. (Please note that BBG does not endorse any particular building certification

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program. The purpose of this article is simply to provide a sampling of some of the healthy building certifications that are now available.)

The Fitwel Certification (**www.fitwel.org**) scores a building's "health" by examining seven categories of "impact" on occupants' health. The Fitwel Certification score is based upon building strategies that:
1) impact surrounding community health,
2) reduce morbidity and absenteeism,
3) support social equity for vulnerable populations, 4) instill feelings of well-being,
5) enhance access to healthy foods,
6) promote occupant safety, and
7) increase physical activity.

The Healthy Buildings Team at the Harvard T.H. Chan School of Public Health (**www.forhealth.org**), has developed Nine Foundations of a Healthy Building ("Foundations") which are claimed to be the core elements of a healthy indoor environment. The Foundations provide guidance for treatment of the following building issues related to a building's health: 1) ventilation, 2) air quality, 3) thermal health, 4) moisture, 5) dust and pests, 6) safety and security, 7) water quality, 8) noise, and 9) lighting and views.

The International WELL Building Institute recently launched the Well v2 pilot (**www.wellcertified.com**). The WELL certification is issued to buildings that are structured and maintained in a way to be free of disease and allow for occupant productivity. The WELL v2 Standard examines the following building concepts: 1) air, 2) water, 3) nourishment, 4) light, 5) movement, 6) thermal comfort, 7) sound, 8) materials, 9) mind, 10) community, and 11) innovation.

Owners of rent-regulated buildings should keep in mind that if they intend to make a "healthy" modification to their building, it would be necessary to evaluate whether or not an Application for Modification of Services must be filed with the DHCR. Even if the modified service greatly improves a tenant's overall occupancy experience, a modification order may still be necessary.

Finally, the "Healthy" improvement may qualify for an individual apartment improvement ("IAI") or major capital improvement ("MCI") increase for a residential building owner. Proper documentation regarding the improvement would need to be provided.

Logan J. O'Connor is an associate in BBG's Administrative Law Department, and can be reached at ***loconnor@bbgllp.com****, or at 212-867-4466 ext. 363.*

Landlords' Changed Landscapes

BY LEWIS A. LINDENBERG

Since the start of the Covid-19 pandemic, commercial landlords have been trying to navigate a very uncertain economy in an effort to preserve relationships with as many tenants as possible while attempting to secure the payment of rent. In contrast to past economic downturns when only certain business sectors were affected, the Covid-19 downturn has been generally across the board, with few, if any, healthy economic groups remaining. In this article, I attempt to help landlords maneuver through this unprecedented maze.

In the *Restaurant* sector, approximately 26,000 establishments in the five boroughs (with more than 10,000 in Manhattan alone) have been forced to close, at least temporarily. How many restaurants will be unable to reopen? What will the new restaurant landscape look like? What about seating capacities? How long before people will be permitted to be, let alone feel comfortable, in a table-waiting area or standing three deep at a bar?

Many "brick and mortar" *Retail Stores* faced tremendous pressure before Covid-19, due to the growing popularity of e-shopping. During the Covid-19 pandemic, e-shopping has been the predominant avenue for the delivery of products to consumers, thus potentially contributing to further downward pressure on retail stores. How many will close permanently?

The *Office Rental* sector could be adversely affected due to a large segment of the working force potentially not returning to their office workplaces post Covid-19. Consequently, demand for office space could be reduced significantly, at least in the short term, following the success that employers large and small, and employees, have had with working from home. The office rental market is also likely to be adversely affected by however many tenants will simply not have the means to resume operations after the City reopens.

Most commercial landlords have attempted to react positively and have exercised good judgment by trying to make deals with tenants by using the now popular

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document of choice called the *Deferral of Rent Agreement* ("DRA"). DRA's have many versions but the prevalent objective is to provide tenants with some breathing room—and the opportunity to be able to resume payment of rent. Many commercial landlords anticipate that tenants will be able to utilize the Paycheck Protection Program ("PPP") to keep their businesses afloat, and enable the deferred rent to be repaid. Many tenants will pay their deferred rent to their landlords; however, other tenants, despite good intentions, will likely not be able to rebound.

Notwithstanding PPP, not all tenants have made arrangements to repay outstanding rent for the period starting as early as March 1, 2020. The reasons are unclear, but could include: Executive Orders issued by Governor Cuomo barring the commencement of non-payment eviction proceedings; City legislation precluding actions against guarantors of certain commercial leases; tenants not qualifying for PPP, or their PPP not yet having been received; or simply because tenants may have decided not to continue with their businesses, or a principal has decided to retire.

Ultimately, tenants remaining in business are likely to be pursued by their landlords for rent owing under their leases, to the maximum extent permitted by law. No Executive Order or City legislation has nullified permanently tenants' legal obligation to pay rent. In the near future, landlords will be able to commence new proceedings for non-payment. It can only be hoped that the Courts' reopening will not create too much of a logjam, and that the needs of landlords will be recognized as essential to the financial lifeblood of the City. Real estate taxes provide the City with much needed revenue, and landlords are the ones paying the real estate taxes.

Commercial landlords will need to be forward-thinking and creative, and make greater efforts to retain existing tenants. This might involve amending existing DRA's, deferring scheduled rent increases, entering into lease renewals for shorter terms or for smaller spaces with options for future expansion, repurposing space in older buildings to accommodate the need for social distancing, making independent air filtration and air flow systems standard equipment, and similar creative moves.

Bottom line—commercial landlords have the unenviable task of having to pursue their tenants to collect rent but also recognizing that their existing tenants are valuable and need to be preserved. These two concepts are not mutually exclusive. Successful landlords will strike the correct balance.

Lewis A. Lindenberg is a partner in the Litigation Department. If you need assistance in dealing with a commercial lease matter, Lew can be contacted at ***llindenberg@bbgllp.com****, or at 212-867-4466 ext. 335.*

Feeling Secure—The Application of Security Deposits and Letters of Credit

BY CHRISTINA M. BROWNE

In normal circumstances, the application of a cash security deposit or a letter of credit ("LC") to rent arrears is typically a last resort of owners. However, during this unprecedented time when there are increasing hurdles to the enforcement of commercial leases, the use of cash security or an LC is an available avenue to obtain funds in the short-term. This is especially true in a climate when an increasing amount of retail and restaurant tenants are filing for bankruptcy, and obtaining funds held as cash security prior to bankruptcy can avoid unnecessary delays. Unlike an LC, cash security is property of the bankruptcy estate and its application to rent owed is often stayed until the tenant assumes or rejects the lease, and in some instances, may require a Court order. While there are advantages to the application of cash security and an LC to rent arrears, especially when a lease requires the replenishment of same, it is important to be aware of a number of procedural and legal requirements.

While most leases permit the application of the security deposit to rent arrears after a grace period, there can be instances when the lease will require the expiration of an additional cure period before the security deposit may be applied. Moreover, if the property is subject to a mortgage, it is important to ensure that the loan documents do not contain any restrictions on the depletion of cash security. Ultimately, an owner may need to obtain consent from its lender before using all or a portion of the cash security to cover a tenant's rent arrears.

Similarly, the drawdown of an LC requires strict adherence to the requirements set forth in the lease and the LC. Such requirements may include the issuance of a notice of default under the lease, the submission of

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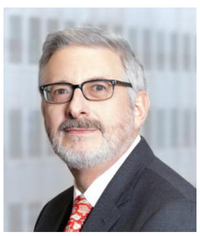
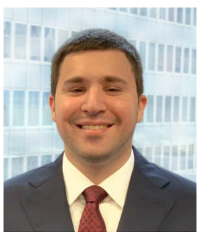
a particular draw form, the original LC and any amendments, and a statement that the tenant is in default. For this reason, it is important to have legal counsel review both the lease and the LC to ensure that there are no inconsistencies between the documents. For example, the lease may permit a partial draw down of the LC when the LC does not.

Whether an owner wants to apply a cash security deposit to rent arrears or draw down on an LC, it is important that (s)he consult with counsel to ensure compliance with the terms of the lease, the LC, applicable loan documents and any local or state laws that may govern the application of such funds. BBG is ready to assist you.

Christina Browne is a partner in the Firm's Litigation Department, and can be reached at ***cbrowne@bbgllp.com*** *or 212-867-4466 ext. 408.*

Residential Property Owners' Duty To Mitigate Damages Upon Tenant's Vacatur





BY MARTIN MELTZER AND BENJAMIN J. MARGOLIN

On June 14, 2019, the New York State Legislature enacted the Housing Stability and Tenant Protection Act of 2019 ("HSTPA"), dramatically transforming the rent laws in New York State so as to further protect tenants, and to saddle property owners with inequities that the Legislature decided were appropriate.

In our last two articles, we discussed how specific changes in the HSTPA have affected the prosecution of nonpayment proceedings in Housing Court, and the Housing Court's ability to award judgment for attorneys' fees and additional rent. In this article, we will discuss Real Property Law ("RPL") §227-e, an important new law codified under the HSTPA that obligates residential property owners to mitigate damages when a tenant vacates a residential premises in violation of his/her lease. Notably, RPL §227-e does not apply to commercial leases, but to every lease or rental agreement covering premises occupied for dwelling purposes.

It is an unfortunate reality, even more prevalent during the COVID-19 pandemic, that a tenant may lose his/her income and ability to pay rent, or may simply wish to move out of the premises notwithstanding the lease's contractual obligations, with months of rent that are still due. Now, under RPL §227-e, if a tenant vacates before the lease term expires, the owner has a duty to mitigate damages by taking reasonable and customary actions, in good faith and according to its resources and abilities, to re-let the premises at the monthly rental rate agreed to under the tenant's lease or at fair market value, whichever is lower. If the owner succeeds in re-letting the premises within such parameters, the new tenant's lease would effectively terminate the old tenant's lease, and mitigate damages that would be otherwise recoverable against the old tenant because of his/her vacating of the premises. This means that if the premises are re-let for less, the owner *cannot* pursue the old tenant for the differential.

If a tenant returns legal possession to the owner before the expiration of the lease term, an owner may commence a plenary action in Civil Court or Supreme Court to recover under a breach of contract cause of action the amount of rent and additional rent that the tenant is liable for as of the date the case is commenced, less mitigatable damages. RPL §227-e imposes on the owner the burden of proof to demonstrate that the owner took reasonable and customary actions, in good faith and according to its resources and abilities, to mitigate damages. It is advisable that an owner take all reasonable and customary steps to market the premises to prospective tenants and meticulously document all of its mitigation actions.

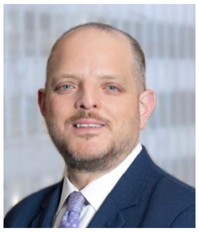
Finally, there is an argument to be made that, if the tenant does not turn in the keys and deliver legal possession of the premises to the owner, the owner's duty to mitigate does not begin and the tenant's liability under the lease continues.

An owner faced with a situation of a tenant vacating, or requesting to vacate, the premises before lease expiration—especially as a result of the COVID-19 pandemic—should consult with counsel to determine the most practical, efficient and cost-effective course of action to protect the owner's interests the best way possible.

Martin Meltzer is a partner and heads the firm's nonpayment practice, and can be reached at ***mmeltzer@bbgllp.com****, or 212-867-4466, ext. 313. Benjamin J. Margolin is an associate and can be reached at* ***bmargolin@bbgllp.com****, or 212-867-4466, ext. 432.*

True Confessions -- of Judgment:

Changes to the CPLR Affect COVID–19 Rent Deferral Agreements



BY BRIAN Y. EPSTEIN

In the BBG Special COVID-19 Update in April, 2020, we addressed the growing need for owners to respond to requests for rent deferral agreements for commercial and residential tenancies. In addition to the forms of rent deferral agreements discussed therein, some owners may further elect to use as a recovery technique a confession of judgment ("Confession") as governed by §3218 of the Civil Practice Law and Rules ("CPLR").

In its most basic form, a Confession is a tool that allows a debtor to acknowledge owing a creditor an undisputed amount that is, or will become, due. This Confession, in the form of an affidavit by the debtor, is enforceable as a judgment, without the commencement of an action, in the event the debtor fails to pay the debt pursuant to a negotiated settlement such as a rent deferral agreement. In certain circumstances, a Confession will be used in conjunction with a payment plan for a negotiated, reduced sum, often over months or years, and in the event of a default in the payment plan, the Confession for the full amount owed can be enforced and filed as a judgment.

While the fallout from the COVID-19 pandemic continues to grow, owners and practitioners negotiating rent deferral agreements that also contain a Confession must be aware of restrictions imposed by CPLR §3218 that directly impact upon both the duration of rent deferral agreements and enforceability of the Confession.

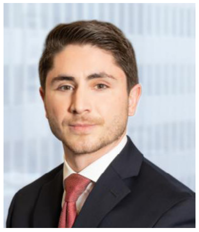
First, a Confession has a three (3) year window within which the judgment confessed to be owed may be filed. The three (3) year window for filing the Confession with the Clerk of the Court is measured from the date the Confession is executed. Thus, it is essential that any rent deferral agreement (or any agreement where a sum certain owed to a creditor is recited in a Confession) be for a period that will *not* extend beyond three (3) years from the execution of the Confession. The rationale for this is that if a default in a rent deferral agreement with a Confession occurs after three (3) years have elapsed from the date the Confession is executed, the Clerk of the Court would *not* accept such Confession for filing.

Second, and reflective of a more recent statutory change, a Confession is only enforceable and acceptable for filing with the Clerk of the Court if (a) executed by a debtor residing in New York at the time of execution, or (b) if the debtor is a non-resident of New York, the Confession states the county in New York where the Confession may be filed. The amendment of CPLR §3218 was New York State's reaction to creditors seeking to execute a Confession in New York even though the associated agreement or debtor had no relationship to the State. Thus, the entry of a judgment by Confession, subject to the three (3) year limitation, is further limited to filing the Confession (a) with the Clerk of the county in New York where debtor resided at the time of execution and as stated in the Confession, or (b) the county in New York where the Confession would be filed if the debtor was a non-resident of New York at the time of execution. Absent these required details, the Clerk will not accept the Confession for filing.

Rent deferral agreements with the added protection of an enforceable Confession are useful tools in these uncertain times. However, such drafting must be done carefully and with attention to statutory changes and limitations so as not to harm the enforceability of such agreements. BBG stands ready to work with clients to safeguard the enforceability of rent deferral agreements in conjunction with the added protections of a Confession and related collection efforts should the debtor breach. Using this measured approach will serve to control costs while protecting the negotiated income stream.

Brian Y. Epstein is a partner in the Firm's Litigation Department, and can be reached at ***bepstein@bbgllp.com****, or 212-867-4466 ext. 363.*

The Ghost of 'Altman'



BY DANIEL P. PHILLIPS

While the New York Court of Appeals issued its decision in *Altman v. 285 W. Fourth LLC* ("*Altman*") in 2018, its apparition still attempts to rear its ugly head, as seen in the recent decision in *80th Street Brownstone LLC v. Zandarski* (*"Zandarski"*). BBG represented the successful owner in that case.

On March 1, 2009, Zandarski took possession of an apartment, pursuant to a deregulated initial lease with a monthly rent of $2,000. The lease contained a rider pursuant to RSL §26-504.2(b), which stated that the apartment was previously subject to rent stabilization, but was deregulated through a vacancy increase. The rent before the rent stabilized tenant vacated was $1,879.10. The legal regulated rent after the vacancy increase was added was $2,179.76. (The deregulation threshold was $2,000.)

In April, 2015, the Appellate Division, First Department, issued its decision in *Altman v. 285 W. Fourth LLC* (*"Altman 1"*) and held that, pursuant to the version of RSL §26-504.2(b) that was in effect in 2005, a rent stabilized apartment would only be deregulated if the legal regulated rent was $2,000 or more before vacancy increases were applied to the legal regulated rent, and not if the rent became $2,000 or more after the vacancy increases were applied.

In June, 2015, Zandarski commenced a Supreme Court action seeking, among other things, an order that the apartment was subject to rent stabilization based on the *Altman 1* decision. Since *Altman 1* was good law at that time, 80th Street Brownstone LLC's predecessor-in-interest provided Zandarski with a rent stabilized lease and registered the apartment with the New York State DHCR. The rent stabilized lease commenced on July 1, 2015, and was renewed for another two years, expiring on June 30, 2019.

After the Court of Appeals decision in *Altman* was issued, reversing Altman 1,80th Street Brownstone LLC informed Zandarski that the apartment was not subject to rent stabilization and that her lease would not be renewed. After Zandarski's lease renewal expired on June 30, 2019 and Zandarski failed to vacate the apartment, 80th Street Brownstone LLC commenced a lease expiration holdover proceeding.

Each party moved for summary judgment in the holdover proceeding. Zandarski argued that the apartment was rent stabilized since 80th Street Brownstone LLC had treated the apartment as rent stabilized by issuing a rent stabilized lease and registering the apartment with DHCR after the decision in *Altman 1* but before the decision in *Altman*. 80th Street Brownstone LLC opposed Zandarski's contention and argued that the apartment was properly deregulated based on *Altman*'s reversal of *Altman 1*, since rent stabilization is a creature of statute and cannot be created by waiver, mistake, estoppel, or even by an agreement. The Court agreed with 80th Street Brownstone LLC and rejected Zandarski's arguments.

The Court stated:

> Respondent's argument that her rights vested when the Appellate Division issued their decision re-regulating the entire class of similarly deregulated apartments under the RSL, but did not divest when the Court of Appeals reversed that holding, is internally inconsistent, potentially frivolous and antithetical to the fundamental precept regarding the weight of judicial precedent in American jurisprudence, namely that the rights and obligations of all similarly situated parties are affected by the appellate courts' decisions and that these decisions establish law that all must follow.
>
> ***
>
> This argument is not only disingenuous because of Respondent's prior positions in this dispute between the parties, but internally inconsistent; and although the court does not, at this juncture, reach this conclusion, it may be considered frivolous and dilatory.
>
> ***
>
> In light of the foregoing, this Court finds that Respondent, who was irrefutably a free market tenant upon the commencement of her tenancy, became a rent stabilized tenant temporarily by virtue of a judicial decree, which was subsequently found to be in error and reversed. When the Appellate Division's decision, in *Altman*, supra, was reversed, any rights granted thereunder were nullified and vitiated. As a result, and while the issued rent stabilized lease was still in effect, Respondent reverted to being a free market tenant as before the Appellate Division's decision in *Altman*, supra. Respondent neither offers any other reason why the tenancy would be renewable under the RSL nor any other ground in support of her summary judgment motion. Accordingly, Respondent's summary judgment motion is denied in its entirety, as this Court finds that the subject apartment is a free market apartment and that, upon expiration of Respondent's lease on June 30, 2019, Respondents unjustifiably remained in possession giving rise to grounds for this holdover proceeding.

While the decision in *Zandarski* seems to apply only to the narrow issue of whether an apartment is rent stabilized under the unusual interplay between the *Altman 1* and *Altman* decisions, it could have much wider applicability.

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Specifically, the Court's reasoning in *Zandarski*, in conjunction with the 2020 Court of Appeals decision in *Matter of Regina Metro. Co., LLC v NY State Div. of Housing & Community Renewal*, which held unconstitutional the retroactive application of Part F of the Housing Stability and Tenant Protection Act of 2019, could be used to challenge decisions and vacate stipulations of settlement based on, and entered into in light of, the Appellate Division, First Department's 2019 decision in *Dugan v. London Terrace Gardens, L.P.*

Thus, while the issues surrounding *Altman* seem to be dead and buried, the implications of the decision may still have an effect. If you have a situation similar to those described above, it is vital to discuss the issue with experienced legal counsel.

*Daniel P. Phillips is an associate in the firm's Litigation Department and can be reached at **dphillips@bbgllp.com**, or 212-867-4466, ext. 496.*

New Sign Requirement for POPS

BY MATTHEW SCHOMMER AND RON MANDEL

Since 1961, the New York City Zoning Resolution has allowed for the creation of various types of Privately Owned Public Spaces ("POPS"), which are spaces provided for the public's use but maintained by private property owners in exchange for certain zoning bonuses. More than 550 POPS have been developed in the City, the majority in Manhattan. Collectively, POPS encompass more than 3.8 million square feet of public space, and include indoor and outdoor spaces such as plazas, arcades, gallerias, through-block connections, and open-air concourses.

The Department of City Planning ("DCP") is tasked with enforcing the requirements of the Zoning Resolution with respect to POPS, and in 2019, adopted new signage regulations for these spaces, including a new POPS logo that must be displayed at all such locations.

Until recently, POPS enforcement was inconsistent, and therefore many building owners (including many cooperatives and condominiums) with older POPS are unaware that their building is subject to these regulations. DCP has created a mapping tool that allows the public to determine whether a building contains a POPS and is therefore required to comply with these new signage regulations. The new signage rules are intended to create a clear, consistent standard to identify POPS as public and accessible spaces.

In February, 2020, in conjunction with the introduction of the new POPS signs, DCP adopted rules requiring property owners of POPS without any previously-approved signage, or with previously-approved signage that does not meet the current standards, to submit an application to DCP to demonstrate compliance by installing compliant signage. For POPS that do not have any previously-approved signage, the application to DCP must be submitted by August 3, 2020. POPS with previously-approved signage have until February 5, 2022 to comply with the new regulations.

The new signage includes entry plaques at each sidewalk frontage or pedestrian entrance, and informational plaques that include the POPS' hours of operation and contact information for ownership. This signage must be installed within 90 days of the date of approval.

*For additional information about POPS and the DCP application process, please contact Matthew Schommer (**mschommer@bbgllp.com**), 212-867-4466 ext. 438, or Ron Mandel (**rmandel@bbgllp.com**), 212-867-4466 ext. 424.*

Decision of Note

Joshua Zukofsky, an associate in the Firm's Litigation Department, obtained a favorable decision in a commercial nonpayment proceeding for our client against a retail tenant.

In *Jayden 65 Co. LLC v. Vilco Services LLC d/b/a Modern French Cleaners*, Index No. L&T 73448/2019 (New York County), the tenant had filed a pre-answer motion to dismiss with a return date *over eighty (80) days* from service of the motion, seeking dismissal on the grounds that service of process was allegedly not proper, and that the premises were allegedly not described adequately in the petition. The tenant asserted that the petition was required to be served on the individual signatories and guarantors of the lease, and that the description of the premises was insufficient as there are two separate stores that both operate on the street level of the same building.

BBG immediately filed an order to show cause to accelerate the return date of tenant's motion. The Court agreed, accelerating the motion and denying tenant's dilatory and baseless motion to dismiss. The Court ruled that the individual guarantors, who had signed the lease without a signature block for the tenant LLC, were not made individual tenants-in-fact and did not have to be served. The Court also found that the description of the premises was sufficient to allow a marshal to locate the premises without any additional information; the Court so held based on BBG's production to the Court of photos of the signage above the two stores.

Upon denying tenant's motion to dismiss, the Court scheduled the matter for trial.

We stand ready to assist clients in enforcing their rights and remedies, especially in these uncertain times.

Joshua Zukofsky can be reached at ***jzukofsky@bbgllp.com****, 212-867-4466 ext. 334.*

BBG In The News

Founding partner **Sherwin Belkin** was a panelist on a May 4 presentation sponsored by *The Real Deal*'s TRD Talks Live program on COVID-triggered rent strikes and related issues: **Watch here**.

Mr. Belkin was also quoted: in *CityLand* on May 11 on the extension of the eviction moratorium through August: **Read article here**; in *The Real Deal* on May 15 regarding an important pro-owner Court decision obtained by the Firm on behalf of its client involving 421-g real estate tax benefits: **Read article here**; in *The Real Deal* on May 19 with regard to the partial re-opening of Housing Court to filings in some eviction proceedings: **Read article here**; in *The Real Deal* on May 26 discussing alternative litigation techniques available to owners in lieu of Housing Court proceedings: **Read article here**; in *CityLand* on June 2 regarding COVID relief laws signed by Mayor DeBlasio: **Read article here**; and in *The Real Deal* also on June 2 on the possibility of large numbers of New Yorkers leaving the City eliminating the statutory "housing emergency" basis for rent stabilization: **Read article here**.

Litigation Department partner **Lewis Lindenberg** decried the new City law aimed at blocking enforcement of certain personal lease guaranties in Real Estate Weekly on May 27: **Read article here**.

Mr. Lindenberg will also be a panelist on a July 14 webinar sponsored by the New York Institute of Credit entitled "Current Disruptors in Real Estate and Bankruptcy".

Aaron Shmulewitz, head of the Firm's co-op/condo practice, was quoted in *BrickUnderground.com* on May 11 with regard to Boards' enhanced powers during the pandemic: **Read article here**.

Mr. Shmulewitz was also quoted in *BrickUnderground.com* on June 22, and in *Habitat* on June 24 with regard to insurance coverage for Covid-based assessments: **Read articles here and here**.

Transactional Department partner **Craig L. Price** was quoted in *BrickUnderground. com*, as follows: on May 14 with regard to parties' rights to cancel a sale contract due to the pandemic: **Read article here**, on May 18 regarding parties' rights to move into or out of an apartment despite a ban imposed during the pandemic: **Read article here**; and on May 21 with regard to the effect of "time of the essence" notices during the pandemic: **Read article here**.

Mr. Price was also quoted in a June 7 New York Times Sunday Real Estate section article discussing the re-opening of amenities in co-ops and condominiums: **Read article here**.

Administrative Law department co-head **Kara Rakowski** was a panelist on a May 21 webinar sponsored by CHIP entitled "Operating in the Age of Social Distancing", addressing the issues of rent arrears, payment plans, deferral agreements and application of security deposits in light of executive orders and new laws.

Litigation Department partner **Matthew Brett** was quoted in *law360.com* on May 18 with regard to the pro-owner decision on 421-g real estate tax benefits obtained by the Firm on behalf of its client: **Read article here**; in *Real Estate Weekly* on May 22 regarding the impact of the Courts' re-opening: **Read article here**; and in *The Real Deal* on May 26 on litigation alternatives to Housing Court: **Read article here**.

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Partners **Matthew Brett**, **Ron Mandel**, **Craig L. Price**, **Kara Rakowski** and **Stephen Tretola** presented a June 3 webinar sponsored by *Worldwide Land Transfer* entitled "90 Days In—How Multi-Family & Commercial Real Estate Owners Are Faring During The Covid-19 Pandemic": **Watch presentation** here.

Transactions of Note

Transactional Department partners **Craig L. Price** and **Stephen Tretola** represented the owner of a 65,000 square foot multifamily property in Astoria on its $26 million refinancing through AIG: **Read article** here.

Mr. Price also represented an owner in connection with the refinancing of a portfolio of 17 multi-family and mixed use properties in the city with JP Morgan Chase, with an aggregate loan amount of $63 million. The transaction was processed, executed, and funded during the height of the Covid-19 pandemic.

Note to Our Readers About the Co-op/Condo Corner

Due to the Courts effectively being closed for much of the period starting in early March, the Co-op/Condo Corner feature will not appear in this summer edition of the BBG Update, and will resume in the autumn edition.

BY AARON SHMULEWITZ

Aaron Shmulewitz heads the Firm's co-op/condo practice, consisting of more than 300 co-op and condo Boards throughout the City, as well as sponsors of condominium conversions, and numerous purchasers and sellers of co-op and condo apartments, buildings, residences and other properties. If you would like to discuss co-op/condo matters, you can reach Aaron at 212-867-4466, extension 390, or (**ashmulewitz@bbgllp.com**).

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